

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



**CORRECTED
FISCAL NOTE**

HB 107 – SB 393

February 23, 2009

SUMMARY OF BILL: Creates a new Class C misdemeanor, subject only to a fine not to exceed \$50 and court costs not to exceed \$10, for the offense of transmitting or reading written messages (text messaging) on a hand held mobile telephone or a personal digital assistant while operating a motor vehicle on any highway.

ESTIMATED FISCAL IMPACT:

On January 23, 2009, we issued a fiscal note for this bill indicating an *increase to state revenue of \$11,400, an increase to local government revenue of \$600, and an increase to local government expenditures considered not significant.* On February 20, we received additional information from the Department of Safety. Based on this new information, the fiscal impact for this bill is estimated as follows.

(CORRECTED)

Increase State Revenue - \$41,600/Recurring

Increase State Expenditures - \$21,000/One-Time

Increase Local Revenue - \$2,200/Recurring

Increase Local Expenditures – Not Significant

Assumptions:

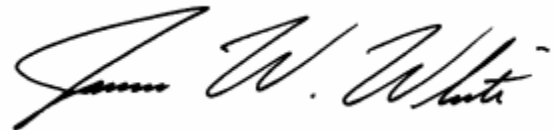
- This legislation does not prohibit the use of a mobile telephone or a personal digital assistant while operating a motor vehicle on a highway if such devices are being used for making or receiving a phone call.
- “Mobile telephone” means a cellular, analog, wireless or digital device that provides for voice communication and for data communication other than by voice.
- “Personal digital assistant” means a wireless electronic communication device that provides for data communication other than by voice.

**HB 107 – SB 393
CORRECTED**

- The Department of Safety (DOS) projects an average of 10 violations per day state-wide, or approximately 3,650 per year.
- DOS estimates the average fine for this offense to be \$15.
- Twenty percent will not be able to pay fine due to indigence.
- The increase of fine revenue is estimated to be \$43,800 per year ($3,650 \times \$15 \times 80\% = \$43,800$).
- Local courts receive five percent of fine revenue as commission.
- The increase to local government revenue is estimated to be \$2,200 per year ($\$43,800 \times 5.0\% = \$2,190$).
- The increase to state revenue is estimated to be \$41,600 per year ($\$43,800 - \$2,200 \text{ local share} = \$41,600$).
- According to DOS, six departmental systems would require programming changes. The one-time increase to state expenditures for computer and software modifications is estimated to be \$21,000.
- Any increase to local government expenditures for enforcement is considered not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/rnc